

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN CHICAGO	DATE 7/5/63	INVESTIGATIVE PERIOD 4/18 - 6/28/63
TITLE OF CASE VALLEY HILLS COUNTRY CLUB CARTING CLUB		REPORT MADE BY SA JOHN A. NOZZANI	TYPED BY lmp
		CHARACTER OF CASE IEA	

REFERENCES

Report of SA JOHN A. NOZZANI at Milwaukee 4/24/63.
 Report of SA [REDACTED] at Chicago 5/31/63.
 Milwaukee airtel to Chicago 6/25/63.

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LEADSCHICAGO DIVISIONAt Chicago, Illinois:

1. Complete the leads set out in Milwaukee airtel of 6/25/63 and submit a report with a copy designated for USA, Milwaukee.
2. Interview [REDACTED] Chicago Cab Drivers

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APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 3 - Bureau (165-414) 1 - USA, Milwaukee 3 - Chicago (101-77) (1 - USA, Chicago) 3 - Milwaukee (165-18) (1 - 101-43)		165-18-61 168-43-19	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....		- A - COVER PAGE	
REQUEST RECD..			
DATE FWD.....			
HOW FWD.....			
BY.....			

ME 165-18

Union re meeting he had 8/8/62 with Dr. ANTHONY VERDONE
at the Towne Hotel, Milwaukee.

MILWAUKEE DIVISION

At Madison, Wisconsin:

Interview [] relative to the fact
that his Volkswagen Wisconsin license [] was observed
on the parking lot of Vernon Hills Country Club around 2/6/63.

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At Milwaukee, Wisconsin:

1. Interview [] re receipt by
her of telephone calls from Chicago for Dr. VERDONE which
might be significant to efforts by Chicago gamblers to
collect from VERDONE.
2. Interview []
[] for the same purpose.
3. Interview Dr. VERDONE.
4. Contact [] Milwaukee County District Attorney's
Office, relative to information he has received from
[] pertaining to AUGIE MANIACI and determine
whether interview of [] would be warranted.

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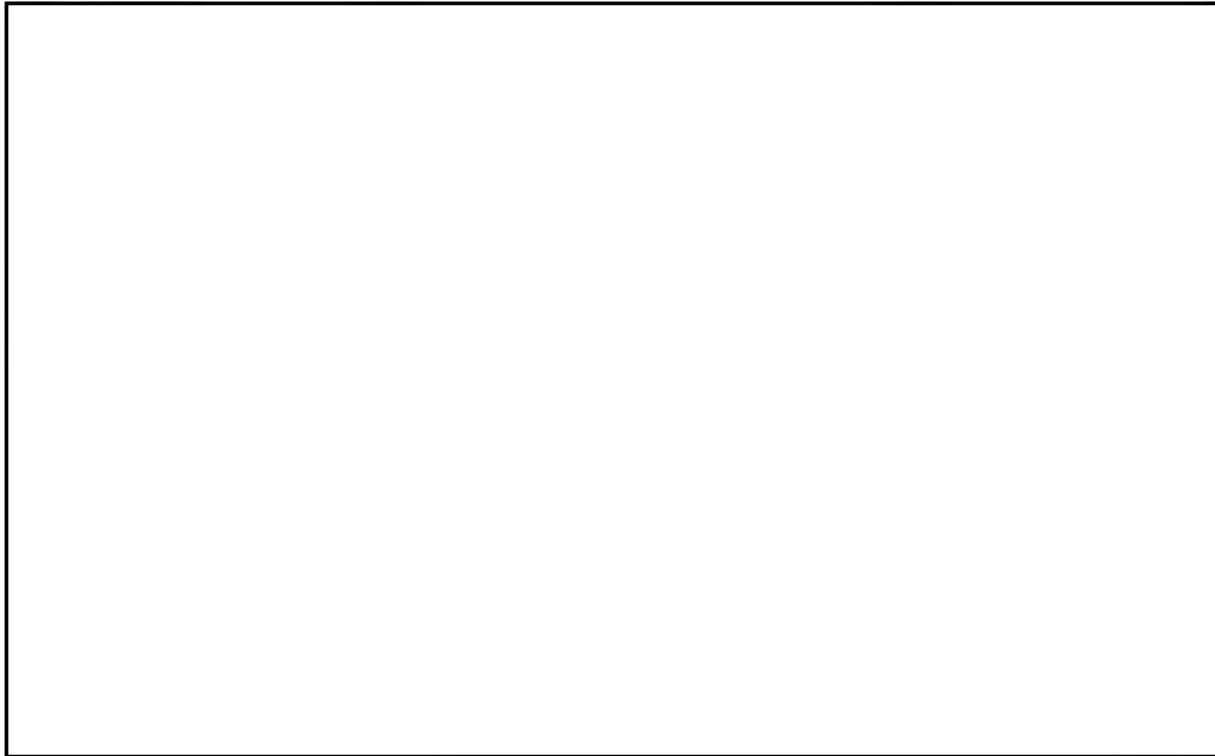
ADMINISTRATIVE

[]

b3 Per
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MI 165-18

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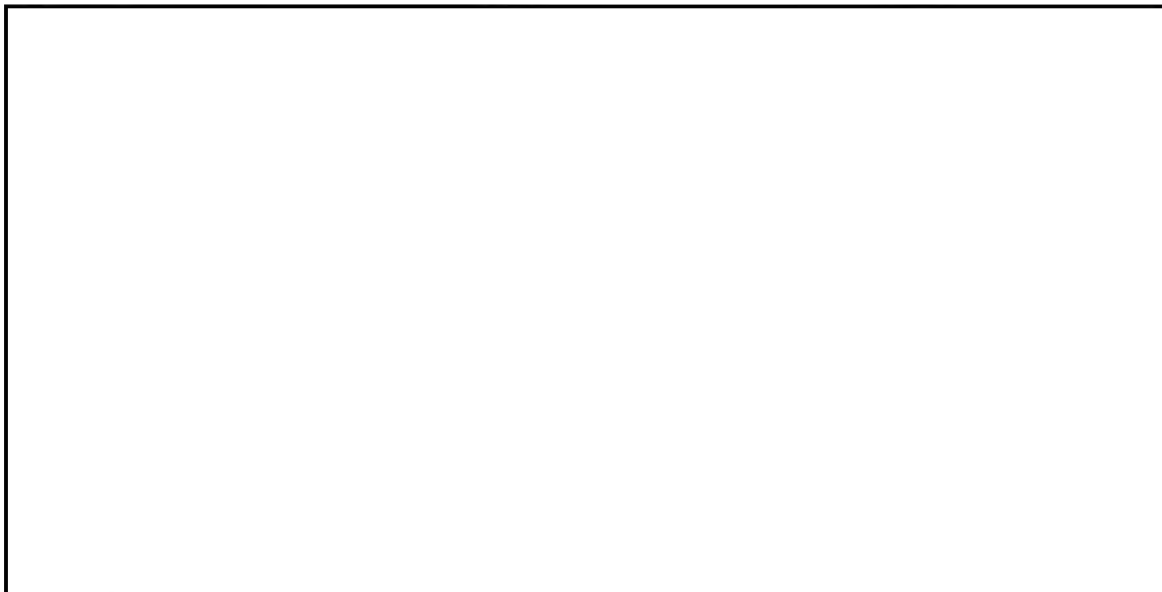


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On June 24, 1963 [redacted]
presently assigned to the John Doe Investigation, advised
that [redacted]



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On June 26, 1963 [redacted]
[redacted] respectively, of the Telephone Answering
Service, 429 West Michigan Avenue, Milwaukee, furnished the
following information re Dr. VERDONE's use of that service:

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All calls to VERDONE's residence phone, Spring 4-2600, are
answered by the Telephone Answering Service. If the call
is for Mrs. VERDONE it is referred to her private number,
QR 6-0584. If it is for Dr. VERDONE TAS takes the message
and endeavors to reach Dr. VERDONE. The procedure card used

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by TAS shows that he can usually be reached either at St. Michael's Hospital, his office, or at one of the following other numbers: Uptown 3-1892 (listed to HELEN NICOUD, his paramour); HI 4-6649; or 362-2055 (a long distance number).

The above individuals provided records of calls received for Dr. VERDONE for the past month and there were no long distance calls or local calls of apparent significance noted other than one call on May 23, 1963 from DOMINIC FRINZI with a message for VERDONE to return his call within ten minutes at Broadway 1-8282 (Fazio's on Fifth). This card showed that the call was completed to HELEN NICOUD's number.

[redacted] said that he had observed that VERDONE spent a good deal of time at Sally's Steak House, 435 West Michigan.

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A check of the Clerk of Milwaukee Circuit Court records failed to disclose any information relative to divorce proceedings between VERDONE and his wife BLANCHE, but an order for separate maintenance filed in 1960 was found.

The following information was obtained June 28, 1963 from [redacted] who desired that his identity be kept confidential:

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[Large redacted area]

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On April 29, 1963 [] said []
[]

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On May 28, 1963 informant said []
[]

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On January 23, 1963 former PCI [] said that
[]

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On January 23, 1963 PCI [] related the following:

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- H* -

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Milwaukee
1 - USA, Chicago

Report of: SA JOHN A. HOLTZMAN
Date: July 5, 1963

Office: MILWAUKEE

Field Office File No.: MI 165-18

Bureau File No.: 165-414

Title: VERNON HILLS COUNTRY CLUB
GAMBLING CLUB

Character: INTERSTATE TRANSPORTATION IN AID OF RACKETEERING

Synopsis:

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- P -

DETAILS:

Date April 30, 19631b6
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furnished the following information relative to his contact with the Homestead and/or Vernon Hills Gambling place at the Wisconsin-Illinois State Line on Highway 41:

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b7DOn 4/18/63 at Milwaukee, Wisconsin File # MI 185-18by SA JOHN A. HOLTZMAN/bw Date dictated 4/24/63

Date July 6, 1963

[redacted], who resides at [redacted]
[redacted] and is the [redacted]
[redacted] stated that he had never
gambled with dice and had never been to Vernon Hills
Country Club, and, in fact, was not familiar with the
name of this place or the Homestead. He said that he did
not know Dr. ANTHONY VERDONE but he does know [redacted]
[redacted] professionally and [redacted] whom he has met at
race tracks in Illinois which he does frequent with customers
on occasion.

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Inquiry was made of [redacted] as to various other Milwaukee
individuals who are believed to have gambled at Vernon Hills
Country Club, and he denied knowledge of such individuals
and said that he does not know anyone who gambles in Illinois
and that he himself has never gambled there except while in
attendance at the race tracks. Likewise, he denied knowledge
of any gambling spots in Milwaukee.

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On 6/26/63 at Milwaukee, Wisconsin File # MI 105-18
by SA JOHN A. HOLTZMAN/lmp Date dictated 7/2/63

Date July 5, 1963

[redacted] whose permanent residence is [redacted]
[redacted] and who spends only [redacted]
[redacted] in Milwaukee, said that he is the son of [redacted]
[redacted] He has lived in [redacted] most
of his adult life and said that he had never heard of the
Vernon Hills Country Club nor of his father gambling other
than at the race tracks [redacted] in recent years.
He said that his father used to gamble a little with dice
when he was a younger man.

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On 6/27/63 at Milwaukee, Wisconsin File # MI 165-18

by SA JOHN A. HOLTZMAN/lmp Date dictated 7/2/63

MI 165-18

A review of the Lake Geneva Telephone Directory, published by the Wisconsin Telephone Company and dated June, 1962 disclosed that the Shore Club, 804 South Lake Shore Drive, Lake Geneva, Wisconsin was the subscriber to telephone number CH 8-4821. The classified section of the same directory showed the identical listing and carried the announcement that the Shore Club was a cocktail lounge, which was open year round.

On May 15, 1963, observation was made of the Shore Club which was found to be located on Wisconsin Highway 120, 2½ miles south of Lake Geneva, Wisconsin.

Under the pretext of being a prospective future family group patron, the writer made inquiry of the hostess at the Shore Club on May 15, 1963. This hostess advised that reservations could be made by calling the house telephone Chestnut 8-4821 and a phone bearing this number was observed at the reception desk. It was observed that the lower floor of the establishment contained a bar, a dining room, and a porch dining room overlooking the lake. The hostess also advised that rooms were available for lodging on the second floor.

Observation of the building itself disclosed that it was a 2½ story frame structure, apparently designed originally as a residence.

On May 15, 1963, Chief Deputy GEORGE SAWYER (NA), Sheriff's Office, Walworth County, Elkhorn, Wisconsin, advised that he is familiar with the existence of the Shore Club which has been in existence as an apparently legitimate restaurant and cocktail lounge for several years. He stated that nothing had ever come to his attention that would indicate that any illegal or racket activities are reported at the club. Chief SAWYER stated that he is personally acquainted with [redacted] who is employed as [redacted] at the club. Chief SAWYER stated he was not acquainted with the management of the club.

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[redacted]
[redacted], advised on May 15, 1963 that the Shore

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MI 165-18

Club has been [redacted] for the past five years. He stated that [redacted] operated the club in partnership with one [redacted] (LNU), whose interest [redacted] purchased. [redacted] stated that [redacted] is a golfing enthusiast and in connection with this interest, he belongs to a golfing club in the State of Illinois.

[redacted] stated that [redacted] operates a legitimate restaurant business, catering in considerable volume to parties and banquets for local civic clubs as well as to the general public. He stated that [redacted] resides on the premises and has perhaps a maximum of ten rooms available for rental to tourists. He stated that [redacted] prior to taking up residence in [redacted] was a resident of [redacted]. He advised that the location of the Shore Club was actually in the town of Linn, Wisconsin, and the jurisdiction of licensing the club would be vested in the town of Linn.

[redacted] stated that he has no knowledge of any gambling or racket activities ever having been carried on at the club.

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Based on information received from HELEN NICOLUD, 4940 North 24th Place and paramour of Dr. ANTHONY VERDONE that the doctor had a bachelor apartment in the 4900 block of North Teutonia, contact was had with LEW PERRAULT June 25, 1963. Mr. PERRAULT, who is a retired Milwaukee policeman, resides at 4915 North Teutonia and said that he was not familiar with Dr. VERDONE's photograph or description of his car but that he would endeavor to observe tenants in the two apartment buildings just to the north of him in the same block and would advise should he observe Dr. VERDONE. He said that the apartment immediately to the north of him at [redacted]

[redacted] was owned by a [redacted] of [redacted]. This lady on contact June 25, 1963 said that Dr. VERDONE's photograph and name were not familiar to her as a tenant at [redacted].

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The apartment at [redacted] was determined to be owned by [redacted] at [redacted] and on June 27, 1963 [redacted] identified a photograph of Dr. VERDONE as the individual who had rented apartment number 4 at 4933 North Teutonia on June 1, 1963. He paid

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MI 165-18

the first month's rent in cash. [redacted] said that VERDONE was residing alone and that he, [redacted] obtained no information as to why VERDONE was living there and, in fact, had not recognized the individual as Dr. VERDONE until being contacted by the agent. He said he presumes that VERDONE must be having trouble at home.

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Date July 5, 1963

[redacted]
[redacted] conducting the John Doe investigation for the
City of Milwaukee, furnished the following information:

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[Large redacted area]

On 6/24/63 at Milwaukee, Wisconsin File # MI 105-18by SA JOHN A. HOLTZMAN/lmp Date dictated 6/25/63

MI 165-18

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Date July 2, 1963

Mrs. ANTHONY J. VERDONE (nee BLANCHIE RANGE) furnished the following information:

She married Dr. VERDONE while he was in Medical School in 1939 and lived with him steadily until about 1957 when he started running around with HELEN NICCUD who at that time was employed in VERDONE's office. For approximately two years commencing in 1957 VERDONE lived away from his residence at 1731 Alta Vista where Mrs. VERDONE still lives and then he returned for approximately a year during 1960 and 1961 but again left at that time and has not lived at home since. Mrs. VERDONE presently has an order for separate maintenance but because of Dr. VERDONE's financial condition as a result of his gambling she is not receiving payments.

She said that during their years of marriage Dr. VERDONE had accumulated a considerable fortune consisting of several hundred thousand dollars in cash and properties but that at the present time he is absolutely broke and heavily indebted. She attributes his loss of money to his association with HELEN NICCUD and to gambling which Mrs. VERDONE believes NICCUD is responsible for.

Mrs. VERDONE said that she has never gone to a gambling place with Dr. VERDONE and does not know where such places are located. When she was asked about the name of the Homestead, Vernon Hills Country Club, and Bonfire Restaurant she said that she recalled having seen matchbooks of the Homestead and the Bonfire Restaurant as well as matchbooks from some place in Antioch, Illinois in Dr. VERDONE's possession but when she would ask him about these places he would tell her that it was none of her business. She said that she was not familiar with the name Vernon Hills Country Club.

Mrs. VERDONE stated that there has never been any mail received or telephone calls received to her knowledge which might pertain to efforts by individuals in Illinois and elsewhere to collect gambling debts from Dr. VERDONE.

She said that she was well acquainted with AUDIE MANIACI and explained that she and her husband knew the whole MANIACI

On 6/27/63 at Milwaukee, Wisconsin File # MI 165-18

by SAs JOHN A. HOLTZMAN & ALEXANDER P. LE Date dictated 7/3/63
CRAND/lmp

family and had known them for many years dating from the time that Dr. VERDONE was in medical school and used to eat in Pop MANIACI's Restaurant located in the vicinity of the medical school. Thereafter, VERDONE became the family physician for the MANIACI's and has treated all of them. In addition the MANIACI's, because they are so well acquainted in Italian circles (Dr. VERDONE is not from Milwaukee originally) have referred many other Italians to Dr. VERDONE as patients. Mrs. VERDONE has in the past entertained the MANIACI's in her home at Christmas parties and the like, and although she does not know of Dr. VERDONE ever being in business with AUGIE MANIACI she said that she herself invested approximately \$2,000 in Club Midnight operated by the MANIACI's. This occurred about 15 years ago and she loaned the money to AUGIE's wife, MARY, in the form of paying current bills and expenses of the Club Midnight. The money was all paid back and so far as she knows neither she nor Dr. VERDONE have advanced any other money to the MANIACI's or been in business with them in any way.

Mrs. VERDONE said that she does not know where Dr. VERDONE is residing at the present time but that he can be located through HELEN NICOND at any time. She said that all of his assets have been placed in the hands of the receiver and she doubts that he is gambling at present because she does not think that he can get his hands on money. All income from his practice goes directly to [REDACTED] and all bills are paid from the account controlled by [REDACTED]. The attorneys for VERDONE are HOWARD and SONJOU.

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Mrs. VERDONE said that over the years Dr. VERDONE's gross income was in the neighborhood of \$100,000 a year but that his operating expenses were approximately \$50,000 per year. She said that by 1957 their house was bought and paid for and he had two large automobiles bought and paid for, they owned four or five lots and several business properties. All of this is now gone and he is heavily indebted including \$15,000 that her parents had loaned him.

July 5, 1963

Date

HELEN NICCOUD, 4940 North 28th Place, Milwaukee, furnished the following information:

She formerly worked in the office of Dr. VERDONE and she associated with him and she continues this association to the present time. She is a widow and Dr. VERDONE has been very good to her.

She denied that she has ever gone to any gambling establishments with Dr. VERDONE or even that she knows that he had gone to gambling establishments. She said that the only gambling that he does to her knowledge is at the race track and that she has often accompanied him to races in Illinois but that they have never gone to a dice game or Vernon Hills Country Club in the last three years. She said that she had stopped there with him about three years ago to eat. She also denied ever having been at the Homestead or any other gambling place with or without Dr. VERDONE. She claimed not to know the extent of his gambling or anything about his financial situation. She said she thought he was in trouble three or four months ago when his car was repossessed while it was in her possession.

She said there have never been any phone calls for Dr. VERDONE received at her place which she could in any way connect with efforts by gamblers to collect gambling losses. Likewise there have never been any calls from Illinois that she knows about. She said that Dr. VERDONE often uses her phone for local or longdistance calls but that she has no record of long distance calls because he always charges them to his credit card.

Miss NICCOUD said that Dr. VERDONE has a bachelor apartment located in a new apartment building located in the 4900 block of North Teutonia and that he drives a new blue sedan which looks like (but isn't) a Lincoln. Miss NICCOUD said that she does not know any close associates of Dr. VERDONE but that he used to be friendly with [redacted] who runs [redacted] on [redacted] and also with AUGIE MANIACI of the Club Midnight where they frequently go to eat. She said that, in fact, VERDONE used to own a part of the Club Midnight.

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On 6/25/63 at Milwaukee, Wisconsin File # MI 165-16

by SAs JOHN A. HOLTZMAN & ALEXANDER P. LE Date dictated 7/1/63
GRAND/lmp

MI 165-18

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They now frequent Sally's Steak House on West Michigan where [REDACTED] is employed.

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Miss NICCUD said that Dr. VERDONE has never been threatened by anyone nor has AUGIE MANIACI ever tried to collect any money from him that she knows about.

MI 165-18

At St. Michael's Parking Lot on June 26, 1963 a 1963 blue four-door Oldsmobile bearing Wisconsin license B24-751 was observed. It was determined that this license is registered to Solig Executive Lease Company, 7400 West National Avenue, and contact of this place with [redacted] [redacted] determined that this car is being driven either by Dr. ANTHONY J. VERDOME or by TONY LA ROSA of Prize Steak Produce Company, 2478 North Richards. It was described by DI PITO as a 98 Holiday sedan rented by LA ROSA and the rental is paid by check of the Prize Steak Produce Company.

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Date July 5, 1963

[redacted] said that
he is a good friend of Dr. ANTHONY J. VERDONE whom he
has known for 15 or 20 years. [redacted]

[redacted]

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On 6/21/63 at Milwaukee, Wisconsin File # MI 100-10
by SA JOHN A. HOLZMAN/lmp Date dictated 7/2/63

Date July 5, 1963

[redacted] identified photographs of JOHN AIELLO and AUGIE MARIACI as patients of Dr. VERDONE. She, [redacted] is employed as an [redacted] for him. She said that these two individuals are more than patients. They also seem to be friends of VERDONE or at least associates in some other matter than regular doctor-patient relationship. She explained that about a year ago they used to come in occasionally and wait to see Dr. VERDONE until he was clear, then they would visit with him for a short time privately and leave. At about this same time Dr. VERDONE was receiving numerous telephone calls from Chicago from a party believed to be FRANK AIELLO and also from a [redacted]. These calls for the most part were received by [redacted] who formerly worked in Dr. VERDONE's office and by [redacted] who is and has been for a number of years an employee of Dr. VERDONE's.

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[redacted] did not receive any of these calls herself but she did overhear the calls coming in and the girls asking Dr. VERDONE if they could put the call through to him or on occasions when he was not there they would ask if there was a message. Then when they would endeavor to put the call through to Dr. VERDONE or give him a message to return the call he would fly into a rage and repeat to them that he had told them that he did not want these calls and so far as [redacted] knows he did not return the calls. She said that she was unaware of the nature of the calls except for the fact that they did enrage Dr. VERDONE.

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[redacted] said that the office is running much smoother than before now that the bookkeeping setup is changed and [redacted] is handling all receipts and disbursements. She said Dr. VERDONE has changed for the better to some degree under this new setup and that she is unaware as to how he spends his spare time or whether or not he is gambling or going to Illinois. She said that, in fact, she never had any first hand information as to his gambling beyond that received from his wife BLANCHE.

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On 7/1/63 at Milwaukee, Wisconsin File # MI 165-18

by SAs JOHN A. HOLTZMAN & CARLYLE N. REED/lmp Date dictated 7/3/63

MI 165-18

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[] said that none of the patients of Dr. VERDONE have ever made any inquiry of her or alluded to the fact that their checks to Dr. VERDONE had been cashed in Illinois and she said that she is not aware of the existence of any checks issued by Dr. VERDONE himself in Illinois and that all of his personal checks which he formerly kept around the office have now been taken elsewhere and are no longer available in the office.

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FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MILWAUKEE	OFFICE OF ORIGIN CHICAGO	DATE 8/22/63	INVESTIGATIVE PERIOD 7/5 - 8/9/63
TITLE OF CASE VERNON HILLS COUNTRY CLUB GAMBLING CLUB		REPORT MADE BY SA JOHN A. HOLTZMAN	TYPED BY lmp
		CHARACTER OF CASE ITAR	

REFERENCES

Report of SA JOHN A. HOLTZMAN 7/5/63 at Milwaukee.
Milwaukee airtel to the Bureau 8/7/63.

- P -

LEADSCHICAGO DIVISION

At Chicago, Illinois:

1. Check toll records for 1962 from the telephone of [redacted], telephone number JU 8-5814, particularly for calls to VERDONE. Also as to phone calls from [redacted] Arlington Heights, telephone CL 3-5591.

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APPROVED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW			
COPIES MADE: 3 - Bureau (165-414) 1 - USA, Milwaukee (Encs. 2) 3 - Chicago (166-77) (1 - USA, Chicago) ③ - Milwaukee (2 - 165-18) ① - 168-43)		168-43-18			
Dissemination Record of Attached Report		Notations			
Agency					
Request Recd.					
Date Fwd.					
How Fwd.					
By					

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MI 168-43

2. Identify subscriber to Libertyville phone GE 8-7632 and conduct similar investigation as to this phone number.
3. Furnish available information re endorers of checks set out in re airtel and upon receipt of copies of the checks from the Laboratory conduct interviews of these individuals and check their toll records for significant calls since 9/13/61.

4.

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5. Interview [redacted] to VERDONE and others in Milwaukee at Christmastime, 1961 and re his visit to Dr. VERDONE to [redacted]

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MILWAUKEE DIVISION

At Milwaukee, Wisconsin:

1. Upon receipt of photographs of Chicago gamblers and juice men display to VERDONE office employees with a view to pinpointing times that they were in Milwaukee to collect from VERDONE.

2. Interview [redacted]

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3. Interview [redacted]

[redacted] and any others who can and are willing to place Dr. VERDONE in gambling establish-

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MI 168-43

ments in Illinois in 1963 and in Kenosha, Wisconsin prior to the time that was closed in January, 1963.

4. Interview [redacted] through her parents, [redacted] Franklin 2-0719, former employee of VERDONE's; [redacted] (LNU) of [redacted] for VERDONE; and [redacted] (LNU), previous owner of [redacted]

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 USA, Milwaukee
1 USA, Chicago

Report of: SA JOHN A. HOLTZMAN
Date: August 22, 1963

Office: Milwaukee

Field Office File No.: MI 165-18

Bureau File No.: 165-414

Title: VERNON HILLS COUNTRY CLUB
GAMBLING CLUB

Character: INTERSTATE TRANSPORTATION IN AID OF RACKETEERING

Synopsis:

[Empty box for synopsis]

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ENCLOSURES: To USA Milwaukee: 1) Copies of [redacted] office records re return of VERDONE's financial records;
2) Copies of Bank of Commerce records pertaining to Cashiers checks purchased by VERDONE.

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LA 165-19

DETAILS:

At Milwaukee, Wisconsin:

b5 Per EOUSA



A subpoena was issued for [redacted]
before the Federal Grand Jury on [redacted] The subpoena
was served on July 15, 1963, by the reporting agent and Special
Agent CHARLES A. AUSTIN as [redacted]
on the mid-afternoon of July 15, 1963.

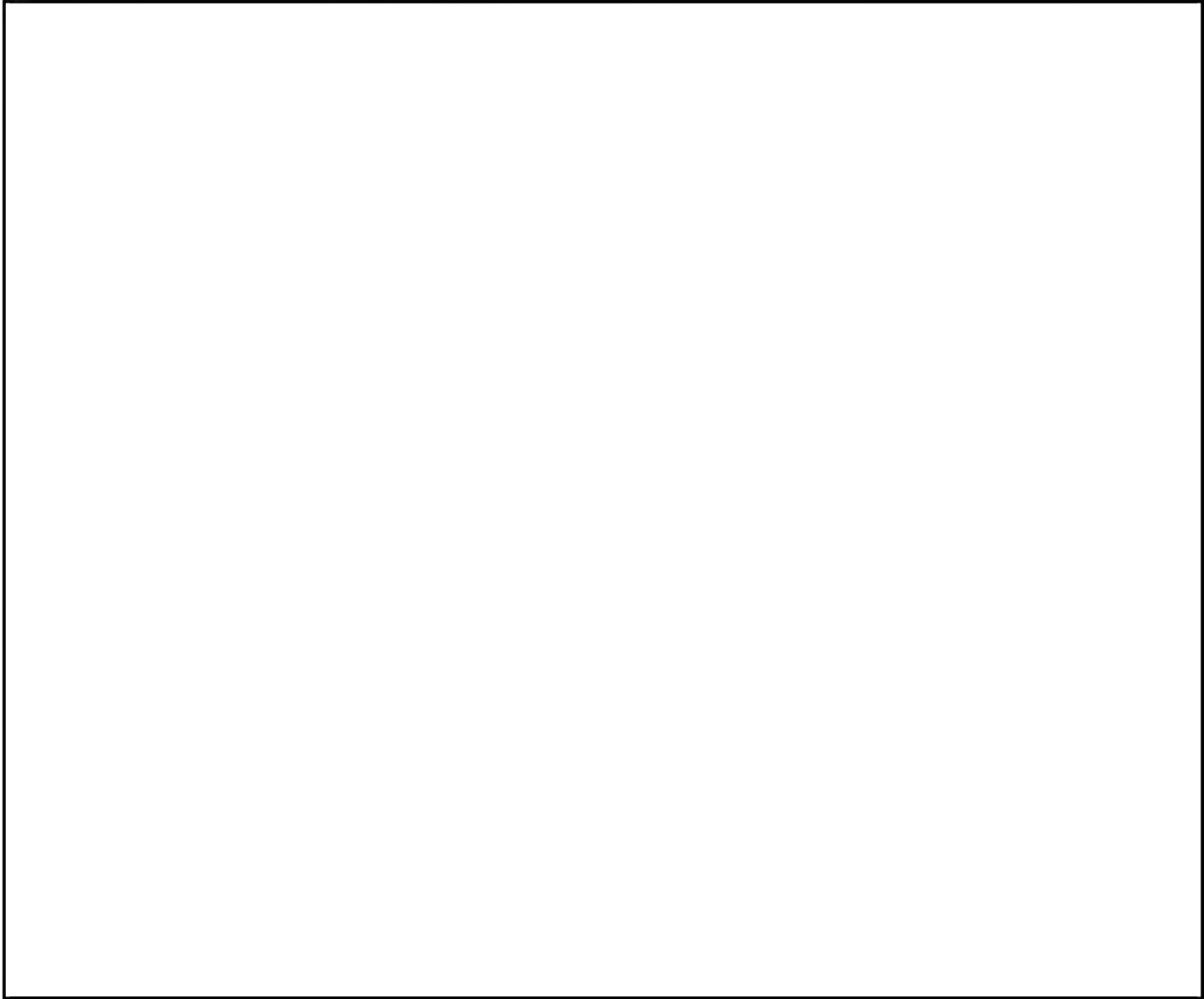
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MI 165-18

Judge GRUBB on July 18, 1963 ordered [] to testify and thereafter ^{b3}
[] did testify on [] and again on []
before the Federal Grand Jury.



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MI 165-18

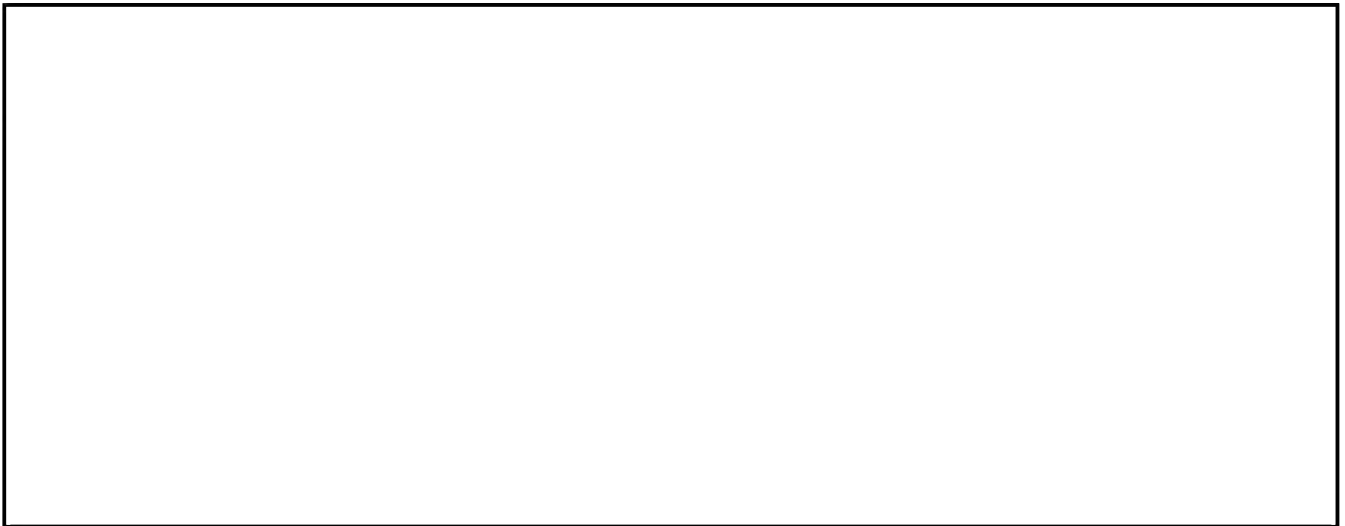
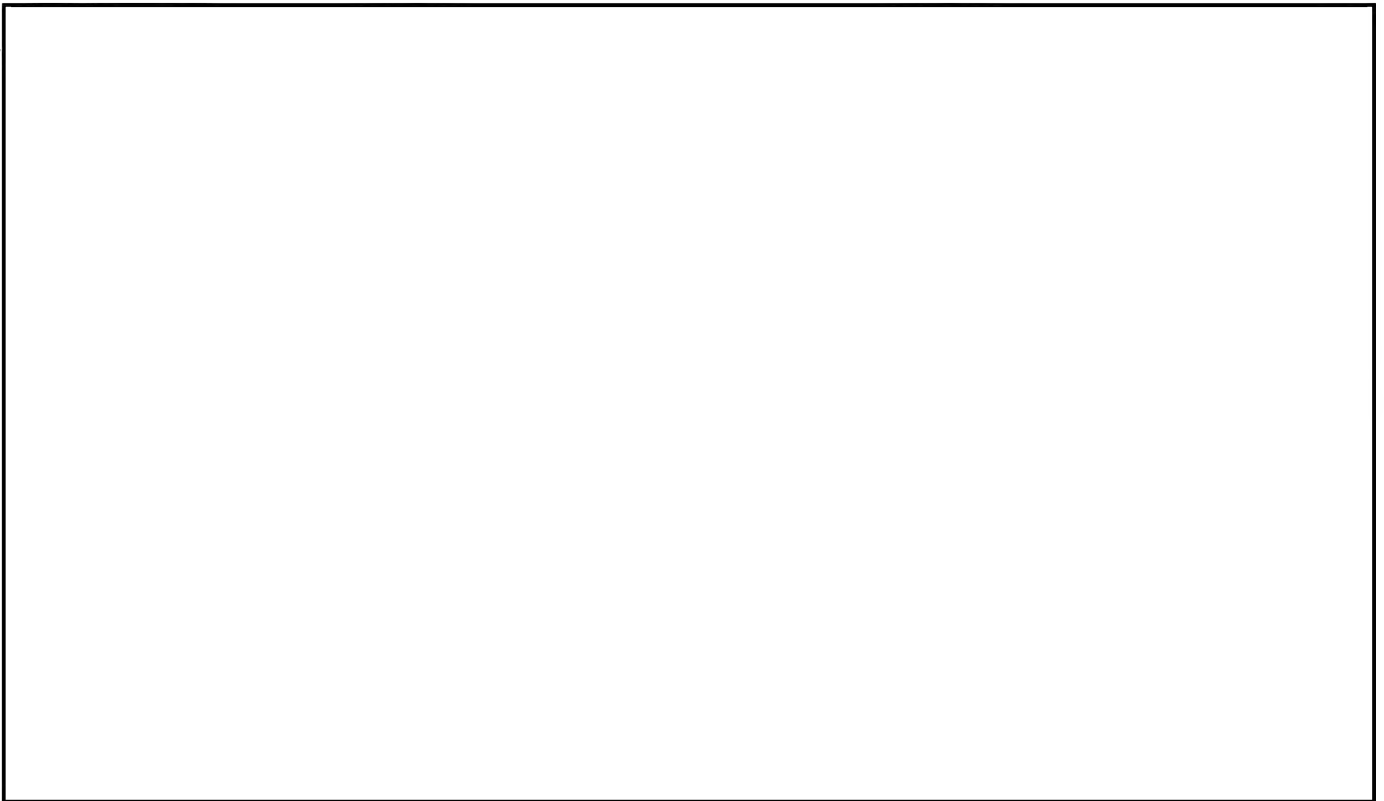
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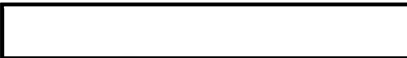
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He requested the following additional investigation at Milwaukee:



AT CHICAGO, ILLINOIS

The following investigation was conducted by SA 

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With regard to telephone calls from Milwaukee number COncord 4-2800, Dr. VERDONE's number, which were made in September and October, 1962, the following subscribers were identified by use of a public source of information provided by the Illinois Bell Telephone Company for Chicago City patrons who have not requested that this information be withheld:

MI 165-18

IR 8-7524 and 478-7524
are identical and are
listed to Fitzsimmons
Surgical Supply, 3926
North Christiana, Chicago

431-6111 is listed to
Administrative Offices,
Standard Oil Division of
American Oil, 910 S.
Michigan, Chicago.

The following is a summary of activities of individuals as requested
by Milwaukee:

KRUSE is a high ranking member of Chicago crime syndicate who meets almost daily in Chicago's Loop with other top ranking syndicate members. KRUSE is known largely for his operation of the syndicate's big gambling games, whether it be in Cook County or some adjoining county. His management of gambling operations is extended from the notorious Owl Club in Calumet City to the J & J Picnic Grove in Will County, which have both since been raided and closed. Recently he has been responsible for the activity of the larger type gambling establishments in Lake County, Illinois, namely Vernon Hills, The Homestead and the short-lived operation at Rondout.

KRUSE does not appear at these locations personally and last did so at the Viaduct Lounge and other operations in Cicero, where he was arrested by States Attorney's Police in a raid which netted \$85,000. KRUSE now is engaged in setting up a gambling establishment in the Dominican Republic and has flown there frequently in past weeks. He is said to "almost commute" between Chicago and Miami since he has an expensive residence in Lake Worth, Florida, in fact, KRUSE, his wife and daughter flew to Miami on July 23, 1963 and from there continued on to the Dominican Republic.

[redacted] who lives at [redacted], with his wife and two children has reportedly attained the nickname [redacted] because of his considerable activities as a [redacted]
[redacted] was a [redacted]

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MI 165-18

[redacted]

In January, 1960, when the J & J Picnic Grove began operating [redacted] was also seen there in [redacted] It has been relatively reported that on a good night [redacted]

[redacted]

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When the Vernon Hills operation became active, [redacted] was again seen in his usual role at this establishment, however, by about June of 1962 [redacted] seemed to have disappeared from the gambling scene.

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Information has been received by the Chicago Office that [redacted] was being investigated by the Internal Revenue Service because of reports that his income exceeded his returns and apparently it was felt by the syndicate that he was too hot to remain as a money lender.

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[redacted] now is operating a liquor store in Chicago and a recent attempt to interview him by bureau agents was of little value because [redacted] was completely uncooperative.

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[redacted] is a resident of [redacted] where he and his wife, [redacted] reportedly [redacted]

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In 1953 [redacted] was known to be a handbook operator in [redacted] with one [redacted] Other information received indicates that [redacted] association with a book operation in [redacted] dates back to 1943. He has been reputed to operate the largest handbook in [redacted]

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[redacted] has in recent years been allied with [redacted] of [redacted] who is considered to be a political fixer and contact man in [redacted] Together [redacted] have operated gambling operations in [redacted] and these operations apparently remain on a comparatively small scale until they join forces with some Chicago syndicate representatives, namely LESLIE KRUSE and his representative [redacted]

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MI 165-18

[redacted] was arrested in the raid at [redacted] on February 9, 1963 at which time he advised SA [redacted] that he was the operator of the game and it was noted that \$1,600 was found on his person at that time. [redacted] was again observed at an attempt to raid the gambling establishment at [redacted] on June 28, 1963 after he had been observed there as an operator for several weeks.

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[redacted] is a resident of Chicago and [redacted] [redacted] has been known to be associated with syndicate members for many years and particularly with the ENGLISH brothers from whom he reportedly purchased [redacted] [redacted] recently has been closely associated with LESLIE KRUSE and frequently has been seen in KRUSE's presence and also with [redacted]

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Two years ago [redacted] was interviewed regarding his association with MURRAY HUMPHREYS, notorious syndicate leader and at this time [redacted] stated "he has always been only a stone's throw away from gambling". [redacted] is usually always present at the scene of gambling operations and also was arrested on February 9, 1963 at [redacted] [redacted] was recently associated with the [redacted] a scavenger business which has also received particular publicity because of its alleged force and muscle in obtaining contracts. [redacted] is married to [redacted]

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With regard to the dates of operation for the gambling establishments the following "rough estimates" are being furnished:

- A. The Old Homestead has been open for approximately 2½ years.
- B. Chicago has had information that there was an alternate gambling spot located somewhere to the immediate south of the Old Homestead, but at this time there is no knowledge of a farm house "with big white pillars" being used for gambling.
- C. The Vernon Hills operation is believed to have opened about January, 1962, and was closed at the end of January, 1962. In April of 1962 it was going strong again and in July of 1962 it was apparently at its peak, operating seven days a week. The operation apparently continued until it was raided on February 9, 1963 and has not operated since. During the period of time that the Vernon Hills operation was in business it had been reported on occasion that the gambling game was moved to the Old Homestead and also to a location on Route 176 in Rondout, Illinois. The reported purpose in moving in this manner is to avoid detection and raids.

MI 165-18

DOMINIC ABATA was interviewed at his DUOC Office recently, and he furnished the following information concerning his association with Dr. ANTHONY J. VERDONE:

He said that he met VERDONE two or three years ago in Milwaukee and has only seen him a few times since then. He saw him on August 8, 1962, at a hotel where ABATA was staying while in Milwaukee for a taxicab union election.

He said that he was aware that VERDONE was "on juice" and when asked for an explanation of this he said "You know, six for five." He also said that he is in debt to a considerable extent and when ABATA was asked whether he owed the debt to hoodlums in Chicago or in Milwaukee ABATA answered, "What's the difference. It is all the same."

He said VERDONE has been a very heavy gambler with regard to horses, craps and other forms of common gambling. He stated that VERDONE is a very nice person, has an excellent business and considers him one of the wealthiest doctors in the State of Wisconsin.

He knew that VERDONE was born in Brooklyn, New York, and attended Marquette University, after which he was married to a Wisconsin girl and remained to practice in Milwaukee.

He also stated that the doctor knows most of the big syndicate men in Chicago and Milwaukee and has the Milwaukee hoodlums for patients. VERDONE told ABATA shortly after their first meeting that he was frightened because of hoodlums whom he had met. He was not able to furnish exact reasons for this fear, however. On the occasion of their next meeting, mentioned above, VERDONE told him that he was in serious trouble with the crime syndicate.

ABATA exhibited a letter dated August 20, 1962, which was sent to him from VERDONE and asking for any possible help on a hospital which apparently VERDONE was desirous of purchasing. ABATA said that VERDONE had previously asked him in connection with this hospital whether or not ABATA was acquainted with Illinois Senator PAUL DOUGLAS. ABATA assumed that VERDONE wanted ABATA to attempt to "pull some political strings," to assist him in getting this hospital. ABATA stated that this hospital was located in Milwaukee and all he knows about it is that the previous owner has been in jail.

ABATA said that he did not meet with VERDONE on any frequent basis and is not in a position to furnish any information concerning his activities or gambling debts other than those above.

FEDERAL BUREAU OF INVESTIGATION

Date July 18, 1963

[redacted]
[redacted] furnished the following information:

[redacted]

She desires the information she furnish be kept in strictest of confidence because of [redacted] and she would be very reluctant to testify to anything.

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On 7/10/63 at [redacted] File # MI 165-18

by SA JOHN A. HOLTZMAN/lmp Date dictated 7/15/63

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MI 165-18

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FEDERAL BUREAU OF INVESTIGATION

Date July 18, 1963information:

furnished the following

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b7DOn 7/8/63 at Milwaukee, Wisconsin File # MI 165-18by SA JOHN A. HOLTZMAN/lmp Date dictated 7/12/63

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MI 165-18

3

[REDACTED]

[REDACTED] said that she desired the above information be maintained in the strictest of confidence and she would be very reluctant to testify relative to it because of the.

[REDACTED]

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FEDERAL BUREAU OF INVESTIGATION

Date July 18, 1963

[redacted]
[redacted] was interviewed at her place of employment, [redacted]
[redacted] and furnished the following information:

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[redacted]
[redacted]
She said that [redacted]
all of them at the Home Savings Bank and all used to pay bills
since his bank account had been closed at the Capitol Marine
Bank. She said [redacted]

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She said that Dr. VERDONE averaged two or three long distance
telephone calls incoming from Illinois principally but she was
not aware of the nature of the calls or the source of them.
She also noted incidentally that he had very large toll call
charges, and she recalls that a considerable number of toll
calls were between the doctor and Louisville, Kentucky numbers.

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She was questioned as to Dr. VERDONE's visitors and various
names furnished by other individuals as having what appeared
to be gambling dealings with Dr. VERDONE, and she said that
she was not familiar with any of these names either by telephone
calls, money orders, or personal visits, with the exception of
AUGIE MANIACI, JOHN AIELLO, and [redacted] She said her only
knowledge of these individuals was that they were patients of
Dr. VERDONE and that in addition AUGIE MANIACI was known to
her as a friend of the doctor's. She said she was totally
unaware of any gambling activities of the doctor although
she had heard from other girls in spite of their efforts to
keep it from her in the office about the fact that the doctor
was a heavy gambler. She said that he has never to her
knowledge exhibited fright and the only individual she knows
he tried to avoid while she was there were process servers.

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On 7/17/63 at Milwaukee, Wisconsin File # MI 165-18

by SA JOHN A. HOLTZMAN/lmp Date dictated 7/18/63

FEDERAL BUREAU OF INVESTIGATION

Date August 13, 1963b6
b7C
b7DOn 8/2/63 at Milwaukee, Wisconsin File # MI 165-18by SA JOHN A. HOLTZMAN/lmp Date dictated 8/8/63

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MI 165-18

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The originals of the above items, copies of which are attached to the report for the United States Attorney's use, are available upon issuance of a subpoena duces tecum to

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FEDERAL BUREAU OF INVESTIGATION

Date August 20, 1963

[redacted]
Telephone number BR 1-1212, [redacted] was inter-
viewed at the Milwaukee office.

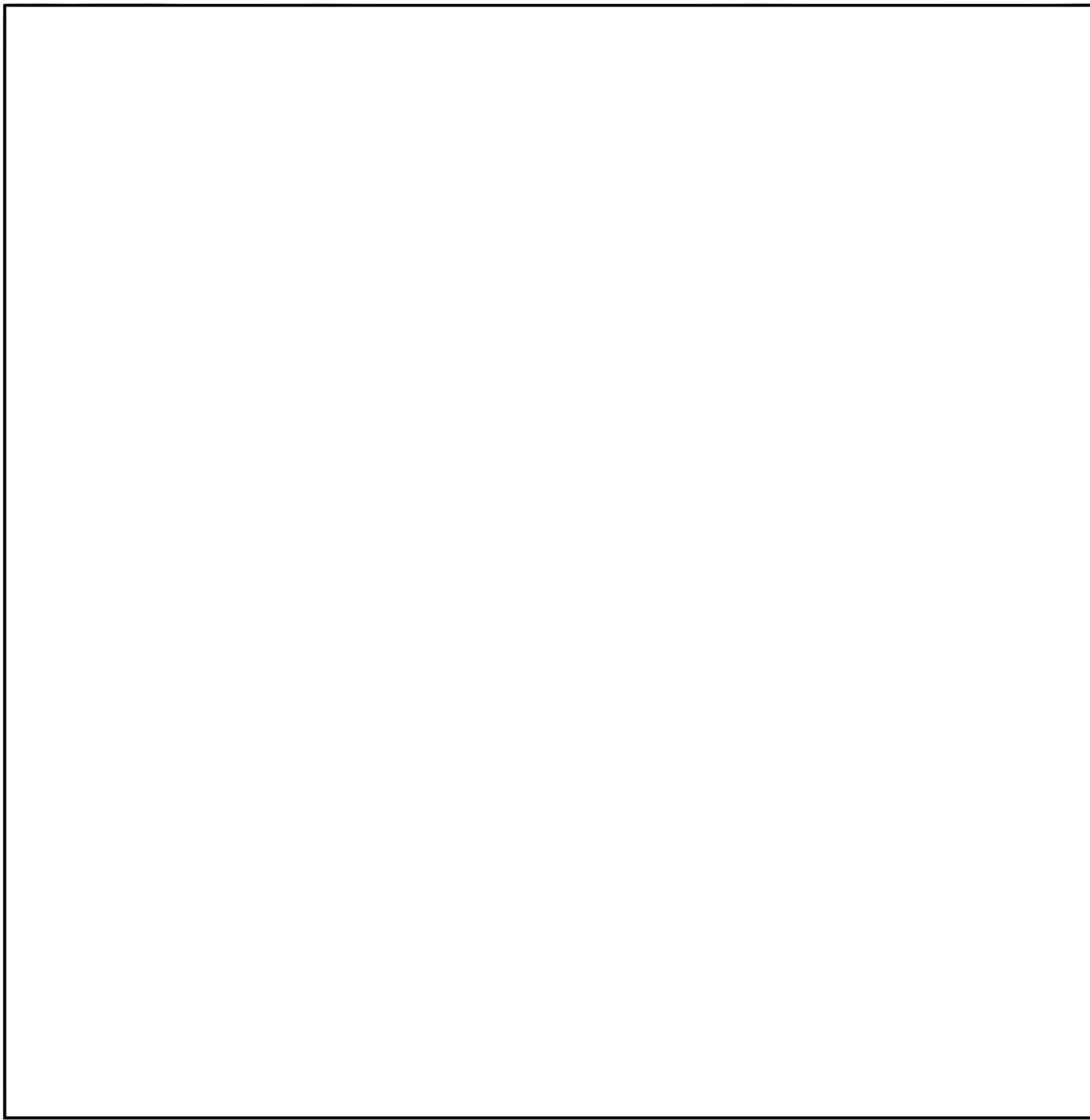
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On 8-17-63 at Milwaukee, Wisconsin File # 105-35
by SA ALEXANDER P. LE GRAND/ccl Date dictated 8-17-63

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MI 165-35
- 3 -

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FEDERAL BUREAU OF INVESTIGATION

Date August 15, 1963b6
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[redacted] stated that the following information would be available on issuance of a subpoena duces tecum:

[redacted]

On 8/5/63 at Milwaukee, Wisconsin File # MI 165-18

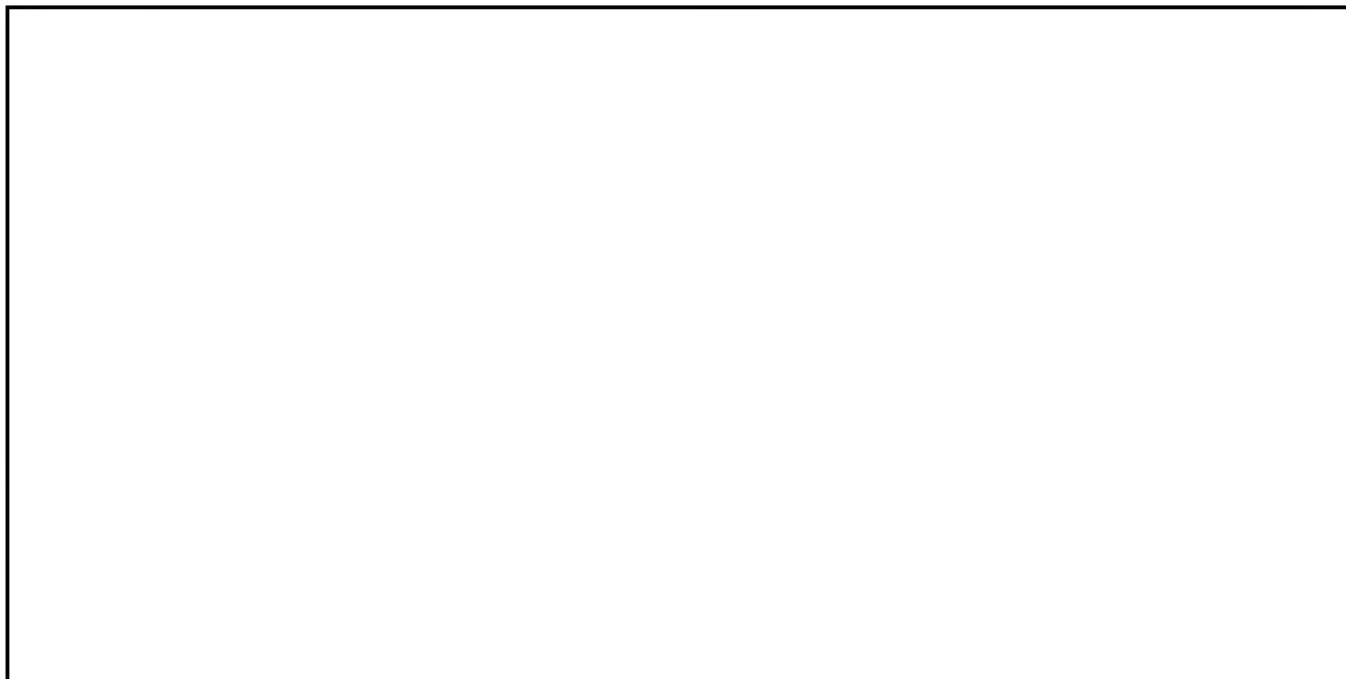
by SA JOHN A. HOLTZMAN/lmp Date dictated 8/9/63

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MI 165-18

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FEDERAL BUREAU OF INVESTIGATION

Date August 16, 1963b6
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[redacted] furnished the following information:

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On 8/9/63 at Milwaukee, Wisconsin File # MI 165-18
by SA JOHN A. HOLTZMAN/lmp Date dictated 8/13/63

MI 165-18

MI T-2 said that so far as he knew personally [] had not gambled at Kenosha since November of 1962 but VERDONE definitely did gamble there at that time and the following individuals from Milwaukee would have knowledge of this as they also were there:

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[]
Informant also stated that each of the following have been at Vernon Hills Country Club at the same time that VERDONE was there:

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[]
This informant advised on August 2, 1963 that a new gambling club "Club 42" on Highway 42, Zion, Illinois. According to the informant, this is open every night of the week and [] and [] have been going there from Milwaukee.

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FEDERAL BUREAU OF INVESTIGATION

Date August 14, 1963

Dr. CLARENCE M. STEINER, 2105 Himount Blvd., medical offices at 9221 West Center Street, furnished the following information after he was advised that he did not need to furnish any information and that any information he did furnish could possibly be used against him in a court of law:

He was born December 21, 1905 at Richfield, Wisconsin and attended Marquette University and Marquette University Medical School.

He was asked relative to his gambling activities in Illinois or Kenosha and he acknowledged that he had gambled about 5-7 times approximately 3 years ago and definitely not later than 1960.

He said that he had been both at the Homestead and Vernon Hills Country Club and when it was pointed out to him that the Vernon Hills Country Club did not open until long after 1960 he admitted that he must have gambled later then as he had very definitely gambled at both places. He said that he did not go down to Illinois during 1961 as he was ill a portion of the time but that he had been down there 3 or 4 times in 1962.

He said that he had never cashed any checks there, either his own or checks of patients, to his best recollection but that he would examine his cancelled checks; in the event he did find any that were issued for gambling purposes he would advise interviewing agent. (He telephonically advised on August 9, 1963 that he had been unable to locate any checks and unable to recall any additional details relative to his gambling activities).

He emphatically stated that he never gambled at Kenosha, Wisconsin and that he had never done any gambling in Milwaukee either with dice or with bookies.

He said that he had never been contacted by individuals from the gambling establishments in Illinois, invited to come down there, and that he initially went to the Homestead and was introduced and admitted through one JACK GOODMAN, now deceased. STEINER said he went there several times with GOODMAN and thereafter by himself. He said he had never received any telephone calls from these individuals, never owed them any money and when he was exhibited photos of various of the persons known to be engaged in the operation of the gambling club and patrons from Milwaukee he stated he did not recall these individuals by name or face.

On 8/5/63 at Milwaukee, Wisconsin File # MI 165-18

by SA JOHN A. HOLTZMAN/lmp Date dictated 8/9/63

MI 165-18

2

He said that he was well acquainted with Dr. VERDONE on a professional basis and that he had gone to the race track with Dr. VERDONE on one occasion but they had some disagreement and he has never gone to Illinois race tracks or gambling games with VERDONE. He stated, in fact, that he did not recall ever having seen Dr. VERDONE at the Homestead or Vernon Hills Country Club when he was there.

MI 165-18

A car bearing Wisconsin license [] had been observed during the week of February 6, 1963, in the parking lot of the Vernon Hills Country Club.

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This car was determined to be registered to [] of []

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Investigation at Madison and Milwaukee reflected that []

On August 20, 1963, he was interviewed by SA ALEXANDER P. LE GRAND at the Milwaukee County Sheriff's Office where he was in custody on the basis of the above warrant. He furnished as a current temporary address [] telephone HUmboldt 1-8260, and said that he was attempting to get back into [] on a active duty status.

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He admitted that he had gambled at Vernon Hills and related gambling places in Illinois while attached to [] but said that he had not gambled there since Christmas, 1962.

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He was exhibited a photograph of Dr. VERDONE and other known Milwaukeeans who are believed to have gambled at Vernon Hills and was unable to identify any of them as persons known to him to gamble there.

He said that the operation in Illinois was run by an individual named [] (LNU).

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